



Davis Graham & Stubbs LLP

July 19, 2005

SDMS Document ID



2163019

RECEIVED

JUL 19 2005

ECEJ-TEP

SDMS 2163019

Via Hand Delivery

Eric Johnson
U.S. Environmental Protection Agency
Region 8 ENF-T
999 18th Street, Suite 300
Denver, CO 80202-2466

Re: Hecla Mining Company Apex Site – Notice of Force Majeure
(EPA ID No. UT982589848, Docket No. RCRA-8-99-06)

Dear Mr. Johnson:

I am writing on behalf of our client, Hecla Mining Company (“Hecla”), pursuant to paragraph 95 of the noted Administrative Order on Consent (“AOC” or “Order”) to confirm the prior verbal notification provided to you on July 15, 2005, by Mr. Chris Gypton of Hecla of a *force majeure* event that affects Hecla’s ability to perform its obligations under the AOC.

The event causing the delay or anticipated delay in complying with Hecla’s obligations under the AOC is a letter notification dated July 12, 2005 that Hecla received from the Bureau of Indian Affairs (“BIA”) on behalf of the Shivwits Band of the Paiute Indian Tribe of Utah (the “Shivwits Band”) stating that the Shivwits Band is invoking the environmental restoration provision of the lease between the Shivwits Band and Hecla to require Hecla to remove all beneficiation waste in its impoundment (Pond 2) from tribal land. A copy of the noted letter is enclosed for your reference. As you know, Hecla has been implementing a plan of reclamation for Pond 2 approved by EPA and provided to BIA and the Shivwits Band for review and comment period long prior to receipt of the noted letter, late last week. Needless to say, Hecla is surprised and disappointed about this news, and not willing to proceed with further reclamation, beyond its current dewatering operations, all of which could be rendered futile in light of the Shivwits Band’s assertion of authority under its lease with Hecla to unilaterally decide that removal of impounded waste materials is required, without regard to corresponding cost or environmental benefit.

At this time, Hecla is uncertain of the length of the delay that will be caused by this *force majeure* event. Hecla is reviewing all of its options to minimize the delay, including a detailed evaluation of its rights and obligations under its lease with the Shivwits Band. We anticipate that we can complete this initial evaluation within 30 days. Apart from evaluating its rights under the lease, Hecla cannot estimate the length of time that will be necessary ultimately to resolve this

John R. Jacus . 303 892 7305 . john.jacus@dgsllaw.com

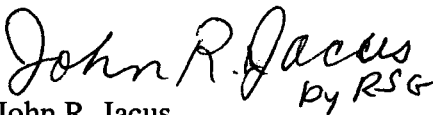
Eric Johnson
July 19, 2005
Page 2

matter. However, we can assure you that Hecla does not intend to abandon its reclamation plans and obligations, and will take reasonable measures to minimize the delay, and hopefully to complete its reclamation of Pond 2 as contemplated in the Closure Plan.

In light of the foregoing, Hecla requests that EPA suspend Hecla's obligations under the AOC until this matter is resolved with the Shivwits Band and BIA.

Thank you for your attention to this matter. Please let me know if you have any questions.

Very truly yours,


John R. Jacus
for
DAVIS GRAHAM & STUBBS LLP

JRJ/rsg

Enclosure

cc: Glenn Rogers – Shivwits Band (via U.S. Mail)
John Krause – BIA (via U.S. Mail)
Deborah Hamlin – BIA (via U.S. Mail)
John N. Galbavy, Esq. – Hecla (via U.S. Mail)
Chris Gypton – Hecla (via U.S. Mail)
Amy Swanson, Esq. – U.S. EPA Region 8 (via U.S. Mail)